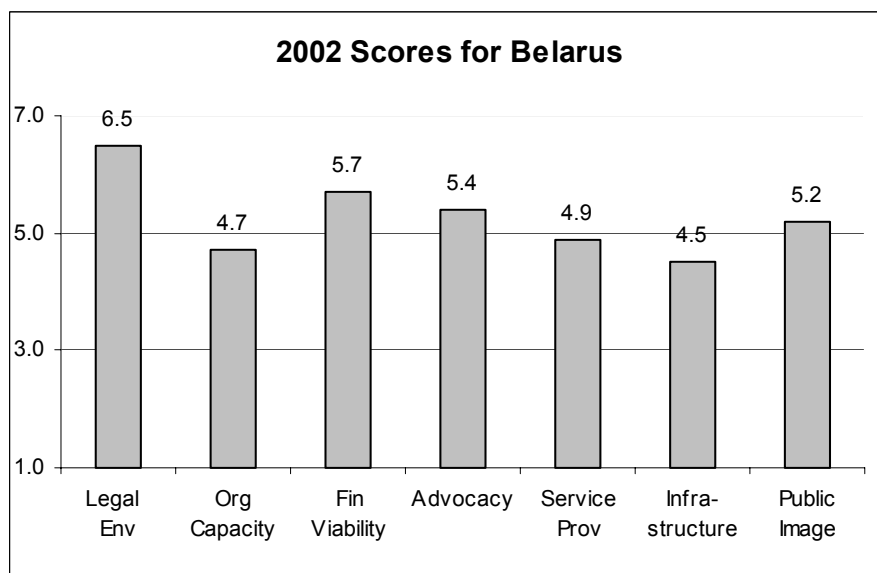


BELARUS



Capital:
Minsk

Polity:
Presidential

Population:
10,335,382

**GDP per capita
(PPP):** \$8,200

NGO SUSTAINABILITY: 5.3

As of August 2002, there were 1,980 not-for-profit organizations registered in Belarus, including 196 international NGOs, 757 national NGOs, and 1,027 local NGOs.

NGO SUSTAINABILITY

2002 5.3
2001 5.5
2000 5.7

While the overall score did not change significantly over the past year, this lack of deterioration is a positive sign in and of itself, given the strong potential for erosion under the current regime. The NGO sector in Belarus operates within a very repressive regime. It is difficult and expensive for NGOs to register, there are ex-

amples of NGOs being closed for minor or fabricated pretexts, and it is virtually impossible for NGOs to invoke the tax-exemptions they are legally entitled to. As a result of government harassment, many NGOs exercise self-censorship when it comes to political activities, in order to avoid attracting unwanted attention. The repressive environment also leads to problems with financial sustainability. Few local sources of funding exist, and much foreign funding is provided in the form of cash to avoid excessive taxation or interference. As the majority of media outlets are state-run, it is also exceedingly difficult for NGOs to promote a positive image of themselves with the general public.

LEGAL ENVIRONMENT: 6.5

The NGO sector in Belarus is faced with numerous bureaucratic requirements and obstacles, several of which were introduced over the past year. The slow pace of NGO

registration by the Ministry of Justice continues to be problematic, often taking more than twelve months, in clear violation of the legally prescribed two-month registration pe-

riod. Registration fees for membership NGOs were dramatically increased in July 2002: by 25% for local public associations, and by 300% for national and international NGOs. In contrast, "non-membership" public associations, such as some foundations, have less difficulty with registration.

LEGAL ENVIRONMENT

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| 2002 | 6.5 |
| 2001 | 7.0 |
| 2000 | 7.0 |

The inconsistency of NGO-related laws, bylaws and other regulations permit state authorities to persecute NGOs, sometimes violently.

The courts place obstacles on NGOs' rights to operate. NGOs can publish materials, advocate, and bring cases to court; but they practice self-censorship when it comes to implementing activities that may be viewed as political to avoid attracting unwanted attention. There are examples of NGOs being closed for minor or fabricated pretexts, presumably as punishment for advocating a position contrary to the authorities.

The capacity of local lawyers to address NGO law issues is improving. NGOs have access to free legal consultations not only in

capital and regional centers, but also in other industrially developed cities.

Tax exemptions for NGOs exist in theory, but the process to invoke tax-exempt status is very complicated and centralized. Various agencies of the central government apply the tax exemption laws in an arbitrary and inconsistent manner. Local businesses do not have any incentives to donate to the NGO sector as tax regulations do not provide for tax deductions for donations to NGOs. In January 2002, the tax status of local and foreign grants changed completely; local donations and grants are not treated as income and thus are exempt from income tax.

The existing legal environment does not encourage NGOs to earn revenue. While NGOs are permitted to engage in economic activities that are authorized under their organizational statute, these activities are subject to the same tax rates and regulations as for-profit companies. Procurement procedures in the country are designed only for goods and services produced by commercial entities.

ORGANIZATIONAL CAPACITY: 4.7

Most NGOs do not focus on constituency building, but are increasingly aware of its importance. The majority of NGOs have articulated missions and values, but only a few

ORGANIZATIONAL CAPACITY

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| 2002 | 4.7 |
| 2001 | 4.8 |
| 2000 | 5.0 |

leading NGOs make strategic planning a priority. Other NGOs lack the capacity and expertise to engage in a strategic planning process,

although even these organizations may incorporate some strategic planning techniques, including SWOT-analysis, prioritization of strategies, and historical analysis, into their operations. Strategic planning is also hampered by the cost of consulting services

and the unstable political and economic environment.

NGOs generally have clearly delineated responsibilities between staff and board members declared in their by-laws, although these principles often fail to be implemented in reality. There is still a tendency towards one-person leadership in NGOs. In part, this is because good governance is seen as primarily a donor-driven issue. Volunteerism is not yet a well-developed concept or practice. There are many training programs that offer professional development opportunities, although the precarious financial situation of many NGOs means that they are more concerned with their immediate survival than the professional development of their staff.

NGOs in major regional centers and larger towns have a sound technical base created mostly through donor funding. Many NGOs either have their own modern equipment or facilities such as other NGOs or resource centers where they can access such equipment. Nevertheless, in small towns and vil-

lages, NGOs lack equipment and access to the Internet, or lack the technical expertise to take advantage of these resources. In their grant applications, NGOs often request equipment that is too complex and expensive for their needs and capacity.

FINANCIAL VIABILITY: 5.7

Financial sustainability is still the to-most concern for NGOs in Belarus. Foreign funds continue to be the main source of NGO funding. In many cases, NGOs receive foreign donations in cash in order to avoid excessive government taxation or attention. While this may help their bottom line, it prevents them from being transparent or publishing annual reports. The weak economic

FINANCIAL VIABILITY

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| 2002 | 5.7 |
| 2001 | 6.0 |
| 2000 | 6.0 |

and legislative environment continues to impede access to domestic resources. Due to the weak private donor base, there is almost no local philanthropy. NGOs are "programmed" to seek grants from international donors and do not look for local sources, including volunteers, or use their imagination to diversify their resource base.

Accountants at many NGOs are experienced professionals, and work with tax and government structures to explain grants and their purpose. Many NGOs have sound accounting systems, due in part to the government regulations in this sphere. Some donors provide training and consultations on accounting; however given the prevalence of cash grants, financial reporting is only to the donors, and not society in a broader sense.

Diverse foreign aid sources exist, but are gradually decreasing. Other more sustainable sources, such as membership fees, are very limited. Nevertheless, enough NGOs have motivation and fundraising skills and experience to allow them to continue operating in the short-term. Most NGOs know how to write proposals and raise funds professionally, but these resources are not sufficient to sustain these organizations over the long term.

A few NGOs are able to draw upon non-monetary support from the local authorities by getting space free-of-charge for conducting events or office space for a reduced rate. They do not risk generating income, though perhaps this could change as a result of the introduction of social enterprise models by some donors. Contracting with the government to provide social services exists only in isolated cases, usually related to the environment or social service sectors. Some NGOs collect membership fees, but, at best, these are only sufficient to cover administrative costs. On the other hand, NGOs loyal to the government, for example, Belarusian Republican Union of Youth, veteran's organizations, and others do enjoy government support, including financial support. However, while their sustainability is enhanced, their independence is questionable.

ADVOCACY: 5.4

NGO advocacy techniques can vary from boycott to compromise. While NGOs

| ADVOCACY | |
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| 2002 | 5.4 |
| 2001 | 5.5 |
| 2000 | 6.0 |

generally have little influence on legislation, there are some isolated instances where specialized NGOs have been invited to work with legislative drafting

committees. Generally, however, there is weak cooperation between the sector and government and any positive collaboration is limited to roundtable events and meetings. NGOs increasingly understand the importance of building dialogue and establishing contacts to promote their interests, but the government does not reciprocate this attitude.

NGOs have not implemented any successful advocacy campaigns over the past year. There was an unsuccessful attempt to lobby against a restrictive Law on Freedom of Conscience and Religious Organizations. However, despite this public information and awareness campaign, the law was adopted.

Some coalitions are superficial and/or artificial, created to please donors and not to be viable over the long-term. Most campaigns are local, not national, and therefore have little impact or effect on policy.

There is no mechanism to support lobbying. Individual pro-democracy NGOs do continue to try to influence decision-making, however these are individual efforts and do not have the impact of broader coalition advocacy. At a local level, town councils may be receptive to NGO efforts, but larger political structures are resolute and do not allow them to act. Two recent NGO-related laws – Law on Charitable Activities and Charitable Organizations and the Tax Code – were enacted with little input from NGOs, due to lack of lobbying efforts and mechanisms. The lobbying that does take place with Parliament generally takes place “behind the scenes”.

SERVICE PROVISION: 4.9

The majority of active NGOs provide communities with some basic social services, especially in the areas of education, humanitarian assistance, and health care. In the

| SERVICE PROVISION | |
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| 2002 | 4.9 |
| 2001 | 5.0 |
| 2000 | 5.0 |

capital and regional centers, NGOs are mainly providing educational and information services. In regional areas it is more characteristic for NGOs to provide humanitarian

assistance. However, NGO technical capacity in a number of areas is limited and as such their potential for service delivery is also limited. Furthermore, abundant regulations, licensing services and strong central control exists over the provision of social services, so the ability of NGOs to use service provision as a means to gain constitu-

encies and greater independence is also restrained.

NGOs do not always offer programs that correspond to community needs, reflecting an inability to assess and evaluate community needs. NGOs are still not used to conducting needs assessment within their communities. Among the reasons for these weak links to the community are limited NGO resources, technical knowledge, and experience. Belarusian NGOs have not refocused their activities towards promoting change in local communities and their marketing skills remain weak. On a positive note, NGOs are actively learning one from another and adopting new methods and techniques.

NGOs occasionally offer useful products to other NGOs and government. There are rare examples of NGOs being recognized as experts in specific areas and able to provide services to educational institutions, state bodies, and other NGOs. There is no experience with cost-recovery mechanisms – NGOs do not know or understand, nor plan financial strategies supporting cost-recovery.

Though laws provide for grants by government to NGOs, these are very rare. At best, government provides space for events and roundtables, but this does not mean that the government recognizes nor understands the value and role of NGOs in service provision.

INFRASTRUCTURE: 4.5

There is a network of NGO resource centers across the country which provide facilities, access to equipment and communication services, as well as some training and legal expertise. However, surveys show that there is a limited knowledge and use of these resource centers by NGOs in Belarus (only 27% of NGOs). The centers work well in re-

INFRASTRUCTURE

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| 2002 | 4.5 |
| 2001 | 4.5 |
| 2000 | 5.0 |

gional areas and small towns, and disseminate information and legal and educational support; including in techni-

cal areas, such as fundraising and helping to find partners. The centers are technically well equipped, professional and provide needed support. However, resource centers are seen as “monopolies” that keep experience to themselves and they are seen to be highly selective with whom they choose to work.

There are several organizations, for instance resource centers, in Belarus that on-grant funds from international donors. The issue is not how many grant making organizations exist, but how those groups make decisions.

Often funds are released only to “friendly” NGOs. Donors have not sufficiently monitored or evaluated such programs. Information is not always correct or widely distributed and internet/electronic information exchange is not accessible to all. “Information providers”, who collect, analyze, and disseminate information, are few.

There are many NGOs with training capacity at the national and regional levels. There are also licensed educational and degree programs. However, the third sector is also subject to amateur trainers and unprofessional practices. Some training programs are chaotic, not thought out, or responsive to communities. Some donors provide training, monitoring and follow-up, but this is not commonplace.

There is some evidence of effective intersectoral partnerships where NGOs work together to achieve common goals. There are also some NGO-media, NGO-businesses or NGO-local government joint projects, but these relations are still not systemic, or necessarily mutually beneficial. Most authorities and businesses still react to NGOs with suspicion, fear, and lack of trust.

PUBLIC IMAGE: 5.2

NGO's role in the development of civil society is still not well understood by the general Belarusian population. 90% of media is

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| PUBLIC IMAGE |
| 2002 5.2 |
| 2001 5.5 |
| 2000 6.0 |

state-controlled. Public service announcements (PSAs) are not used sufficiently to promote a positive NGO image. A hostile governmental attitude toward NGOs and its

attempts to present NGOs' activities in a negative manner results in widespread suspicion, skepticism, and distrust of non-profit organizations. Though an NGO may indeed be well-developed, the public may not be aware of them. However, when the public learns about their contribution, the perception is generally positive.

Few NGOs have the capacity to launch professional public relations campaigns, and independent media does not want to take

the risk in light of the tight government control. There is a limited number of NGOs who develop successful public relations; have regular contacts with journalists; use mass media, electronic services and networks; use marketing materials and participate in community events for information dissemination. Those that work legally with grants are more pro-active and are not afraid to publicize their activities. Broadcast media is under-used; however, there are successful examples of innovative TV/radio talk shows. A few NGOs have staff members responsible for contacts with mass media.

NGOs are aware of the importance of ethics and transparency in their operations, but it is difficult to remain fully open and transparent in the Belarusian situation. Still, there are efforts by NGOs and their partners to discuss and negotiate declarations, campaigns and legal reforms, but these have yet to be implemented.